

From: jsdds2@aol.com
Sent: Thursday, September 24, 2015 1:36 AM
To: EBSA, E-ORI - EBSA
Subject: RIN 1210-AB32

As an investor who has chosen to self-direct his IRA account, I would like to respectfully request that you NOT support any plan to prohibit options trades in IRA accounts.

In this low interest rate environment where investors are always looking for higher portfolio performance, I'm sure some people have made improper or risky use of options trading. Many investing strategies, in fact, have undoubtedly been misused or overused in this difficult market.

To those of us who have taken the time and trouble to learn to use options trades carefully and properly, though, it would be grossly unfair and inappropriate to take this important tool in IRA investing away simply because some uninformed investors have misused it.

Due to the Federal Reserve's low interest rate policies and the uncertainty in our present economy, the US market is trading within a range about as narrow as has been seen in many years. As a result, it is an extremely difficult market to invest in without the appropriate investing tools and strategies.

This is, in fact, the particular market environment for which options were designed.

In my brokerage at Schwab there are already rules and safeguards that prevent the most risky options trades within an IRA. I suspect this is true at the other brokerages as well.

Instead of banning the remaining, IRA eligible types of options, why not require investors to pass a basic course in options trading so that they can completely understand the risks and benefits of options trades and intelligently choose whether or not to use them?

Such a course could be easily offered through the brokerages as a video-on-demand and could perhaps be followed by a test covering the concepts which must be passed in order to gain options clearance.

The point is that prudent behavior cannot be legislated but some basic education can achieve the reduction of risky investing within IRAs that your agency would, quite rightly, like to see.

Many investors use option trading quite safely and wisely within their IRAs and it would be a complete overreaction and over regulation to prohibit option trading on account of a poorly trained few.

Again, I ask that you NOT support a measure to ban options trading from IRA accounts.

Thank you for considering my comments.

James Sturgeon